

CIP EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

8/28/14
WPD

SUBJECT:

Authorize negotiation and execution of a project partnership agreement with the United States Department of the Army for the construction of the Lower Colorado River Basin Phase I, Onion Creek Forest/Yarrabee Bend Project in an amount not to exceed \$1,036,000 in addition to amounts already approved by Council in the project area.

CURRENT YEAR IMPACT:

Department:	Watershed
Project Name:	Onion Creek
Fund/Department/Unit:	8602 6307 6803
Funding Source:	2006 Bond Funds
Current Appropriation:	24,590,242.00
Unencumbered Balance:	2,045,099.00
Amount of This Action:	<u>(1,036,000.00)</u>
Remaining Balance:	<u>1,009,099.00</u>

ANALYSIS / ADDITIONAL INFORMATION:

The City, Travis County, the Lower Colorado River Authority, and the United States Army Corps of Engineers (USACE) have partnered since 1998 on projects to evaluate and reduce flood hazards in portions of the Onion Creek and Williamson Creek watersheds. In 2006, the USACE published its Interim Feasibility Report and Integrated Environmental Assessment which detailed the flood hazard mitigation projects recommended for each area within the study. The recommended project for the lower Onion Creek area (the neighborhoods of Onion Creek Forest, Yarrabee Bend, and Onion Creek Plantation near the intersection of William Cannon Dr. and S. Pleasant Valley Rd.) was the buyout of flood-prone properties. A partnership project between the City and the USACE was recommended that consists of the buyout of 483 properties located in the 25-year floodplain within this area. The project also includes ecosystem restoration and the construction of new recreational facilities once the area is purchased. This project was officially authorized for construction by Congress in 2007, but federal construction funding for this project was not appropriated until 2014.

The City has been reducing flood hazards in this area of Onion Creek for the past 15 years by proactively purchasing properties with a combination of funds, primarily from City drainage fees, 2006 City bonds and a 2006 FEMA grant. To date, the City has acquired 418 of the 483 properties within the USACE project area.

In 2014 the USACE published a Limited Re-evaluation Report to update the project costs and to document the City's progress on the project. According to that report, the City's cost share for the flood risk management portion of the project (property acquisition, relocation, and demolition), excluding ecosystem restoration and recreational facility construction, is \$21,697,000. The City has exceeded its cost share towards this portion of

CIP EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

8/28/14
WPD

the project and has been working with the USACE to document expenditures in order to get credit for the local cost share once the Project Partnership Agreement (PPA) is signed by the City and the USACE. In addition to the flood risk management portion of the project, the City is also responsible for a portion of the costs associated with recreational facilities in the amount of \$1,036,000. This requested Council action will provide \$1,036,000 to meet this responsibility.

The 2014 federal appropriations for the USACE include \$10,800,000 for this project. The PPA will formalize the terms of the agreement between the USACE and the City of Austin including defining roles and responsibilities of each partner, credit for expenditures related to the flood risk management portion of the project, and reimbursements of eligible costs moving forward. The PPA needs to be executed no later than August 29, 2014.